

# ESSA Per Pupil Expenditure at School Level

## LEA Guidance

6/12/2018 Updated 8/23/2018

This document represents the collaborative work of a group of finance officers from NCASBO and staff from the Division of School Business:

### The Requirement

To include on the annual State and LEA report cards per-pupil expenditures of Federal, State, and local funds for each LEA and school for the preceding fiscal year, disaggregated by source.

Effective with fiscal year 2018-19 and reported by December 2019.

### The Data

G.S. 115C-12(18) - The Uniform Education Reporting System (UERS) [shall] provide clear, accurate, and standard information on the use of funds at the unit and school level. The plan shall provide information that will enable the General Assembly to determine state, local, and federal expenditures for personnel at the unit and school level. Requires accounting and expenditures at the school level.

### Consistency in Reporting

This document is to provide guidance to LEAs for reporting expenditures so that there is consistency between schools and between LEAs.

### Account Code

The Account Code is comprised of the following elements:

<u>Element</u>	<u>Field Size</u>	<u>Notes</u>	<u>Defined by:</u>
<u>Fund</u>	<u>1</u>	<u>Fund Source</u>	<u>Chart of Accounts</u>
<u>Purpose</u>	<u>4</u>		<u>Chart of Accounts</u>
<u>Program Report Code (PRC)</u>	<u>3</u>	<u>State Allocation, Federal Grant or local program</u>	<u>Chart of Accounts for State, Federal and some local programs.</u>
<u>Object</u>	<u>3</u>	<u>Type of expenditure</u>	<u>Chart of Accounts</u>
<u>Location</u>	<u>3</u>	<u>Approved school number or State defined location code.</u>	<u>DPI.</u>
<u>Department</u>	<u>3</u>	<u>Cost center, sublocation</u>	<u>Local</u>
<u>Local Use</u>	<u>2</u>		<u>Local</u>

## The Presentation on the Report Card

The presentation will provide the best representation of the schools and provide transparency, comparability and context. Final presentation will be approved by the State Superintendent.

## The Calculation of the Per Pupil Expenditure

The total per pupil expenditure for ESSA reporting will be comprised of 3 items

### 1. Direct expenditures:

The per pupil expenditure related to expenses coded to the specific school's location code (location code 300-799)

### 2. School-wide expenditures:

A per pupil share of the expenditures related to expenses that are schoolwide coded to location code 000.

### 3. Central Office

A per pupil share of the central office expenditures coded to location code 810

## A. Exclusions from the per pupil expenditures

The following specific expenditures will be excluded from the per pupil expenditures:

1. Pre-K and Adult education. The expenditures do not relate to K-12 students no associated ADM is available.
- ~~1.2.~~ Expenditures that are paid on behalf of other organizations or for non LEA students.
- ~~2.3.~~ Funds that are not current expenditures
- ~~3.4.~~ Enterprise funds (~~incl. nutrition, after school care~~) EXCLUDING School Nutrition
- ~~4.5.~~ Payments to other govt entities, charter schools
- ~~5.6.~~ Debt service
- ~~6.7.~~ Unbudgeted funds
- ~~7.8.~~ Non programmed charges (purpose code 8XXX)

## B. Coding to the ~~school~~ Location Ceode

In order to provide accurate reporting at the school level, all expenditures where practical should be coded to the appropriate valid ~~school location codenumber~~. However, breaking out the actual expenditure of some items is either not possible or impractical. For these expenditures the following guidance is provided so that there is consistent application across LEAs.

### School-Location Codes included in the ESSA per pupil report

LEAs shall only use valid school numbers

State recognized school numbers      300 to 799

Central Office Building	810
School Level Expenditures	000

“000” and “810” expenditures will be allocated to all schools on a per ADM basis, by fund. The amounts will be presented on separate lines.

### **Location Codes Excluded from the ESSA per pupil report**

#### **Non LEA expenditures – Location Code 860**

If your LEA has expenditures that are for the benefit of another organization or students that are not in ADM in your LEA, the LEA should use school number 860.

This includes

- cost of DPI consultants who are paid ~~from~~ by your LEA,
- expenditures incurred in accordance with a MOA with the Innovative School District.
- driver education for private school and charter school students
- EC services for non LEA students.

#### **Special Programs – Location Code 840**

Stand alone pre- Kindergarten centers and pre Kindergarten expenditures may be coded to location code 840. The 3 digit Department code may be used to account for multiple stand alone sites.

Adult services may be coded to 840.

All expenditures coded to location code 840 shall be excluded from the school per pupil expenditures.

#### **Using unrecognized ~~school~~ location codes**

LEAs are required to use location codes defined by the State

Exception: LEA may use LEA defined location codes in Fund 4 to account for capital projects. ESSA reporting does not include expenditures in fund 4.

Effective July 1, 2018, invalid ~~school~~ location codes used by the LEA will no longer be converted to school number 000. DPI will receive the ~~school~~ location codes as provided by the LEA.

LEAs ~~should~~ may use the ~~location~~ department code to account for cost centers within a ~~school~~ location codes. The ~~location~~ department code is for local use and the State does not restrict use. Using the ~~location~~ department code with the valid ~~school~~ location code will ensure that the expenditures will match the associated ADM and therefore accurately reflect the per pupil expenditure.

E.g. If a LEA has a high school code #310 and an alternative program is housed within school #310. The high school has 1,000 students or which 100 are in the alternative program.

Example 1. The LEA uses invalid school-location code 295 for internal purpose for the alternative program.

The per pupil expenditures for High school #310 will be based on 1,000 (instead of the 900). The expenditures for the alternative program will not be incorporated in to #310. **This is incorrect.**

Example 2. The LEA uses school-location code 310 with location-department code 295 for the alternative program.

The per pupil expenditures for High school #310 will be based on 1,000 (900 in the high school and 100 alternative students). The expenditures for the alternative program will incorporated in to #310 and the per pupil expenditures will be accurately calculated. **This is correct.**

### C. Direct expenditure to the school

Purpose codes 5XXX

These expenditures should be coded directly to the state recognized school-location codenumbers.

The LEA may choose to code exceptions to “000” for example:

- itinerant teachers
- school wide contracted services
- Staff Development Unallocated - purpose 5870
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### D. Expenditures that are defined as Central Office

Currently “000” includes many expenditures that are not central office expenses.

Effective immediately, a new State assigned school number has been assigned for central office building expenditures:

“810” to be used for central office building expenditures only and shall not be used for school level expenditures.

See accompanying document for central office expenditures.

ALL expenditures in the following purpose codes are defined as central office expenditures and are coded to school 810:

- 61~~XX00~~ Support and Development Services
  - 6200 Special Population Support and Development Services
  - 6300 Alternative Programs and Services Support and Development Services
  - 6610 Financial Services
  - 6620 Human Resource Services

- 6710 Student Testing Services
- 6720 Planning, Research Development and Program Evaluation
- 68XX System-wide Pupil Support Services
- 6910 Board of Education
- 6920 Legal Services
- 6930 Audit Services
- 6940 Leadership Services
- 6950 Public Relations and Marketing Services

**E. Expenditures that may be Direct expenditures or School wide**

This section applies to the following ~~e-expenditures in the following~~ purpose codes; ~~may be~~

- 6400 Technology Support Services
- 6410 Connectivity Support Services
- 6510 Communication Services
- 6520 Printing and Copying Services
- 6530 Public Utility and Energy Services
- 6540 Custodial/Housekeeping Services
- 6550 Transportation Services
- 6560 Warehouse and Delivery Services
- 6570 Facilities Planning, Acquisition and Construction Services
- 6580 Maintenance Services

Expenditures for these purpose codes may be treated in one of the following ways. The LEA should use their professional judgement as to which approach to use.

1. -coded directly to the appropriate ~~school~~ location codes.
2. ~~Alternative coded between by the LEA ay split the expenditures between~~ central office and “000”, and DPI will allocate on a per pupil basis to each school for the ESSA reporting
3. ~~coded between central office and “000”, and the LEA may allocate to specific location~~ codes at year end. This may be the desirable approach for expenditures that relate to a specific grade span of schools. Eg. CTE expenditures that would be appropriately coded on to high schools in the LEA.

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#### For option 2 and 3

If the LEA does not elect to code the expenditures directly to the ~~to the individual school location~~ codes, they may split the expenditures as follows:

#### Code to Central Office 810

All objects below 120 are defined as Central Office for these purpose codes.

Expenditures associated with the personnel in object below 120 may also be included in central office. This includes clerical staff, travel, professional development, office support and associated benefits.

No school level personnel should be coded to 810, including teachers, instructional support. No students should be coded to 810 in PowerSchool.

#### Code to “000”

Expenditures that directly benefit students at a school or school building that the LEA does not code to the ~~valid school’s~~ school location number.

## **F. Special situations**

### **1. Title I set asides**

Per the DPI Title I staff, District set asides should not be included in the per pupil appropriation for Title I for comparison purposes. Therefore, they have requested that these expenditures are coded to location code 000.

For ESSA reporting, expenditures in PRC050 and location code 000 shall be allocated based on a per pupil share to Title I schools only..

### **2. Valid Location Codes with no ADM**

The State has 7 CTE centers in various LEAs that have expenditures but no ADM. These expenditures should be allocated by the LEA to the appropriate locations at year end

## **E. Other information to be provided with the per pupil to provide context to the numbers. This is still under discussion.**

- Grade Span
- Title I designation
- EDDIE School Type e.g. EC, Alternative, CIHS
- Size